

40A:11-24

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40A:11-24

(Local Public Contract - duration shall be for 12 months)

LAWS OF: 1983

CHAPTER: 175

Bill No: S554

Sponsor(s): Paoella

Date Introduced: Pre-filed

Committee: Assembly: Municipal Government

Senate: County and Municipal Government; Labor, Industry and Professions

Amended during passage: Yes // Substituted for A2128 (not attached since identical to S554). Amendments during passage denoted by asterisks.

Date of Passage: Assembly: March 14, 1983

Senate: Oct. 25, 1982

Date of Approval: May 9, 1983

Following statements are attached if available:

Sponsor statement:	Yes	// Also attached: Assembly committee amendments, adopted 2-14-83 (with statement)
Committee statement:	Assembly	Yes //
	Senate	Yes // 6-28-82 & 9-23-82
Fiscal Note:	///	No
Veto Message:	///	No
Message on Signing:	///	No
Following were printed:		
Reports:	///	No
Hearings:	///	No

CHAPTER 175  
APPROVED 5-9-83

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 554

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1982 SESSION

By Senator PAOLELLA

AN ACT to amend the "Local Public Contracts Law," approved June 9, 1971 (P. L. 1971, c. 198).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. Section 24 of P. L. 1971, c. 198 (C. 40A:11-24) is amended  
2 to read as follows:

3 24. Time for making awards; deposits returned. *a.* The contract-  
4 ing unit shall award the contract or reject all bids within such time  
5 as may be specified in the invitation to bid, but in on case more than  
6 60 days, except that the bids of any bidders who consent thereto  
7 may, at the request of the contracting unit, be held for considera-  
8 tion for such longer period as may be agreed. All bid security  
9 except the security of the three apparent lowest responsible bidders  
10 shall be returned, unless otherwise requested by the bidder, within  
11 10 days after the opening of the bids, Sundays and holidays  
12 excepted, and the bids of such bidders shall be considered as with-  
13 drawn. Within 3 days, Sundays and holidays excepted, after the  
14 awarding and signing of the contract and the approval of the con-  
15 tractor's performance bond, the bid security of the remaining  
16 unsuccessful bidders shall be returned to them.

17 *b.* The contract shall be signed by all parties within **\*\*[14 days]\*\***  
18 **\*\*the time limit set forth in the specifications, which shall not exceed**  
19 **21 days\*\***, Sundays and holidays excepted, after the making of the  
20 award**\*\***; provided, however, that all parties to the contract may  
21 agree to extend the limit set forth in the specifications beyond the  
22 21 day limit required in this subsection**\*\***. The contractor, upon

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter printed in italics thus is new matter.**

**Matter enclosed in asterisks or stars has been adopted as follows:**

**\*—Senate committee amendment adopted June 28, 1982.**

**\*\*—Assembly committee amendments adopted February 14, 1983.**

23 written request to the contracting unit, is \*~~entitled to an authori-~~  
24 zation to proceed, pursuant to the terms of the contract, within 7  
25 days of the request.]\* \*entitled to receive, within seven days of the  
26 request, an authorization to proceed pursuant to the terms of the  
27 contract on the date set forth in the contract for work to commence,  
28 or, if no date is set forth in the contract, upon receipt of authoriza-  
29 tion.\*

1 2. This act shall take effect immediately.

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SENATE, No. 554

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1982 SESSION

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AN ACT to amend the "Local Public Contracts Law," approved  
June 9, 1971 (P. L. 1971, c. 198).

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4 ing unit shall award the contract or reject all bids within such time  
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6 60 days, except that the bids of any bidders who consent thereto  
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11 10 days after the opening of the bids, Sundays and holidays  
12 excepted, and the bids of such bidders shall be considered as with-  
13 drawn. Within 3 days, Sundays and holidays excepted, after the  
14 awarding and signing of the contract and the approval of the con-  
15 tractor's performance bond, the bid security of the remaining  
16 unsuccessful bidders shall be returned to them.

17 *b.* *The contract shall be signed by all parties within 14 days,*  
18 *Sundays and holidays excepted, after the making of the award.*  
19 *The contractor, upon written request to the contracting unit, is*  
20 *entitled to an authorization to proceed, pursuant to the terms of*  
21 *the contract, within 7 days of the request.*

1 2. This act shall take effect immediately.

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STATEMENT

This bill requires the contracting unit and the contractor to sign the contract within 14 days of the awarding of the contract. The bill also entitles a contractor to an authorization to proceed with

the contracted work within 7 days of requesting such authorization from the contracting unit. The authorization to proceed will be in accordance with the contract. If the contract provides that the work will start September 1st and it is awarded in July, the contractor cannot advance the date merely by requesting authorization to proceed. The contract would control.

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SENATE COUNTY AND MUNICIPAL  
GOVERNMENT COMMITTEE

STATEMENT TO

**SENATE, No. 554**

with Senate committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 28, 1982

Senate Bill No. 554 would require that contracts awarded under the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) shall be signed by the local contracting unit and the contractor within 14 days of the awarding of the contract. The bill also entitles the contractor to an authorization to proceed with the work within seven days of his written request therefor to the contracting unit.

The Senate committee amendment would make explicit in the law the sponsor's intent that the date, if any, specified in the contract for commencement of work performance shall control. According to the sponsor, "The authorization to proceed will be in accordance with the contract. If the contract provides that the work will start September 1st and it is awarded in July, the contractor cannot advance the date merely by requesting authorization to proceed. The contract would control."

SENATE LABOR, INDUSTRY AND PROFESSIONS  
COMMITTEE

STATEMENT TO

**SENATE, No. 554**

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**STATE OF NEW JERSEY**

DATED: SEPTEMBER 23, 1982

This bill requires that contracts awarded under the "Local Public Contracts Law" must be signed by the local contracting unit and the contractor within 14 days of the awarding of the contract. The bill also provides that a contractor, upon written request to the contracting unit, is entitled to receive, within seven days of the request, an authorization to proceed with the work on the date set forth in the contract for such or, if no such date is specified in the contract, upon receipt of authorization.

Assembly Committee Amendments

CR

to

ADOPTED

Senate Bill No. 554 OCR

Amend: FEB 14 1983

Page	Sec.	Line	
1	1	17	Omit "14 days" insert "the time limit set forth in the specifications, which shall not exceed 21 days"
1	1	18	After "award" insert "; provided, however, that all parties to the contract may agree to extend the limit set forth in the specifications beyond the 21 day limit required in this subsection"

*Deleted*

(These amendments bring S-554 into conformity with A-2128 Aca.)



ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

**SENATE, No. 554**

[OFFICIAL COPY REPRINT]

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 14, 1983

Senate Bill No. 554 OCR, as amended by the committee, amends section 24 of the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-24) to require that contracts awarded under the provisions of the law be signed by the local contracting unit and the contractor within 21 days of the awarding of the contract, unless both parties agree to an extension. The bill also provides that a contractor, upon written request to the local contracting unit, is entitled to receive, within seven days of the request, an authorization to proceed with the work on the date set forth in the contract or, if no such date is specified in the contract, upon receipt of the authorization.

The committee notes that the provisions of Senate Bill No. 554 OCR, as amended by the committee, are identical to the provisions of Assembly Bill No. 2128 Aca.